

Rowlett Housing Finance Corporation
Board of Directors' Meeting Minutes: June 14, 2023, 9:00 a.m.
Freedom Place Church
4113 Main St., Rowlett, TX
(Zoom call in for virtual attendees)

Board Members:

Present: President Karl Crawley; Vice-President Dan Pence; Secretary Brandon Stewart; Debby Bobbitt; Rick Sheffield, Executive Director; Claire Merrit, Hilltop Securities; Darren Smith, Auxano Development.

Absent: Rikki Harper

Quorum present? Yes

Others Present via Zoom: Ryan Bowen, Chapman & Cutler; David Ellis, Dallas HFC/OHG; Brad Griggs, OHG; Lauren Seaver, OHG, Alexander Zamar, Citi; Devin Dillard, Citi; Patrick Howard, Trio.

1. Call to order.

The meeting was called to order at 9:0 a.m. by President Karl Crawley.

2. Consider action to approve the minutes from the April 12, 2023, Board of Directors' meeting.

Brandon Stewart made a motion to approve the minutes as presented. The motion was seconded by Dan Pence and was passed unanimously by those members present.

3. Consider action to approve the April 26, 2023, special meeting minutes.

Dan Pence made a motion to approve the minutes as presented. The motion was seconded by Brandon Stewart and was passed unanimously by those members present.

4. Consider action to approve a Memorandum of Understanding (MOU) between the Rowlett Housing Finance Corporation and Auxano Development to partner on the acquisition of, and creation of a workforce housing development for, the Rowlett Station apartments located at 3601 Melcer Drive, Rowlett, TX 75088.

Staff presented background information on the deal and an analysis of how removing properties to the tax rolls impacts the City with relation to how SB2 from the 86th Texas Legislative Session forced cities to not collect more than 3.5% increase in taxes from the previous year. The proposal would use untapped funds and put them to use for public benefit. Darren Smith from Auxano was on hand and answered questions about the project. Claire Merritt from Hilltop shared financial analysis findings showing that the

numbers for the deal work. Ryan Bowen from Chapman Cutler explained the partnership structure. A motion to approve the MOU was made by Dan Pence, seconded by Debby Bobbitt. The motion was passed unanimously by those members present.

5. Consider action to approve a Memorandum of Understanding (MOU) between the Rowlett Housing Finance Corporation and Opportunity Housing Group to partner on the acquisition of, and creation of a workforce housing development for, Reveal on the Lake apartments located at 1600 President George Bush Hwy, Rowlett, TX 75088 utilizing tax-exempt essential function bonds.

Staff briefed the Board on this project, stating that it was essentially the same type of proposed partnership as Rowlett Station with the exception being that the HFC would be the sole owner of the property and can utilize the asset as they see fit after the 15-year affordability period. Brad Griggs from OHG presented the proposed project and was joined by Alexander Zaman who introduced the Citigroup team and history of their bond activity in the market. A motion to approve the MOU was made by Brandon Stewart and was seconded by Debby Bobbitt. The motion passed unanimously by those members present.

6. Hear presentation from Trio regarding their new mortgage product, the Link Convertible Lease, and provide input regarding the roll out of this product.

Staff introduced Patrick Howard to the Board and gave a brief history of the Trio lease to own program that was introduced in late 2018. Patrick gave the Board an overview of the new Link Convertible Lease program which provides for an automatic conversion of the lease into a mortgage without going through the FHA qualification process to assume the loan, as it was structured in the original lease to own program.

Staff will start uploading the program information on the HFC's website and promote it through the HFC's social media feeds.

7. Adjourn

President Karl Crawley adjourned the meeting at 11:13 a.m.

By: Blake Margolis
Robert Blake Margolis
President

ATTEST:

By: D Shinder
Debra Shinder
Secretary

Date approved: 07/17/2023